DEPARTMENT OF ENERGY

Western Area Power Administration

Blythe Energy Project Site Expansion, Riverside County, California

AGENCY: Western Area Power Administration, DOE.

ACTION: Finding of No Significant Impact.

SUMMARY: The Department of Energy (DOE), Western Area Power Administration (Western) was approached by Blythe Energy, LLC (Applicant) requesting an interconnection for the Blythe Energy Project (Project) with Western's transmission system. The interconnection would take place at Western's Blythe Substation. The Project is a 520-megawatt (MW) natural gas-fired thermal power plant intended to serve competitive regional markets in southern California and Arizona. The Project is a "merchant plant" which means that it would be independent of other generators and that the power generated would serve the open market rather than any particular utility or load. All financial responsibility for the Project would be borne by the Applicant.

Western prepared an Environmental Assessment (EA) entitled "Blythe Energy Power Plant Project" (DOE/EA-1349) jointly with the California Energy Commission's (CEC) plant siting process. Based on this EA, Western issued a Finding of No Significant Impact (FONSI) on March 15, 2001. An amendment to the EA has been prepared addressing a petition for approval of expanding the Project site by 66 acres. The amendment and DOE/EA-1349 constitute the EA for the "Blythe Energy Project Site Expansion" (DOE/EA-1450). Based on the EA, the results of Western's consultation with the California State Historic Preservation Officer (SHPO), and an amendment to the Biological Opinion for the project addressing the expansion, Western has determined that the proposed expansion would not result in any significant

environmental impacts and, therefore, an environmental impact statement is not required.

FOR FURTHER INFORMATION CONTACT: Mr. John Holt, Environment Manager, Desert Southwest Customer Service Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, telephone (602) 352-2592, email holt@wapa.gov. Additional information and copies of the EA and FONSI are available to all interested persons and the public from the persons named above. For general information on DOE National Environmental Policy Act (NEPA) activities contact: Ms. Carol M. Borgstrom, Director, NEPA Policy and Compliance, EH-42, U.S. Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-4600 or (800) 472-2756.

SUPPLEMENTARY INFORMATION: Western has entered into an interconnection agreement with Blythe Energy, LLC and the Project is currently under construction. The Project and its environmental effects are addressed in an EA entitled "Blythe Energy Power Plant Project" (DOE/EA-1349) jointly issued with the CEC plant siting process. Western approved this EA in December 2000. In November 2001, the Applicant submitted a petition for amendment for approval of a 66-acre expansion of the Project site to the CEC. Based on this petition and subsequent modifications, the Applicant proposed to expand the plant site, originally encompassed within a 76-acre parcel, by an additional 66 acres. The expansion is needed to place about 240,000 cubic yards of fill material from the project site, due to permitting requirements to increase the size of the Project's storm water retention basin.

The site expansion was not addressed in Western's DOE/EA-1349, considered in its

FONSI, or its consultations under the Endangered Species Act or the National Historic Preservation Act. In response to the petition, an amendment to DOE/EA-1349 was prepared. The amendment and DOE/EA-1349 constitute the EA for the "Blythe Energy Project Site Expansion" (DOE/EA-1450). Also, a Biological Assessment was prepared addressing the proposed expansion, and Western determined that the proposed expansion may affect but not likely adversely affect the Mojave Desert Tortoise, a threatened species, and requested an amendment to the original Biological Opinion. Based on this request, the U.S. Fish and Wildlife Service (Service) issued on July 19, 2002, an amendment to the original Biological Opinion to include avoidance and minimization measures to offset the adverse effects of the proposed expansion on the Mojave Desert Tortoise and the Harwood's milk-vetch. The measures are described in the EA addressing the site expansion. The Applicant has agreed to abide with the measures in the amendment to the Biological Opinion. With implementation of the measures, there would be no significant impact to the Mojave Desert Tortoise or Harwood's milk-vetch. Western will revise its Mitigation Action Plan (Plan) for the Project to ensure the measures in the amendment to the Biological Opinion are implemented. In addition, in response to a request from the Service and the California Department of Fish and Game, a survey of the proposed expansion for the flat-tailed horned lizard, a species proposed for listing was completed. No lizards were found during the survey. No other impacts to sensitive wildlife or plant species would occur.

Western has determined that the proposed expansion may have adverse effects upon archeological site CA-RIV-6370H, a refuse dump that lies on the north edge of the project site and is apparently associated with the World War II-era Morton Air Academy.

Western and the SHPO agreed to treat CA-RIV-6370H as eligible for inclusion in the National Register of Historic Places for purposes of their consultation under Section 106 and its implementing regulations (36 CFR 800) for the undertaking, until and unless CA-RIV-6370 is shown by further study to be not eligible. The proposed project, which includes constructing a fence through the southern area of CA-RIV-6370H, removing features in the southern portion during some site excavation, and fencing off the northern portion of site CA-RIV-6370H, would have no adverse effect on historic properties based on a Memorandum of Agreement (MOA) that has been executed between Western and the SHPO. The MOA establishes a process to re-evaluate the site for eligibility. The MOA clarifies that the Applicant shall ensure that no further construction activities would impact the northern portion of site CA-RIV-6370H on the project site. Based on the MOA, there would be no significant impact to CA-RIV-6370H. The Plan will be revised to address the requirements of the MOA.

Western and CEC staff consulted with Native American tribes regarding their concerns. Some groups indicated that there is a sacred site in the vicinity of the project area. Although the sacred site is not within the expansion area, the Native American tribes expressed concerns about cumulative impacts. To address these concerns, Western and CEC staff agreed to have an ethnographic study completed for the project vicinity within 30 days of the on-line date of the Project.

Based on the DOE/EA-1450 and additional discussions with CEC staff, all other effects to environmental resources as a result of the expansion would be addressed within existing conditions certified by the CEC and are included in Western's Plan for the Project. Based on these conditions, no significant environmental effects would

occur. The Plan will be updated to include new measures to reduce the level of environmental impacts of the proposed expansion. Once updated, the Plan will be made available.

A preliminary version of this FONSI was distributed for public and agency review on June 24, 2002. Comments were requested by July 29, 2002. The AhaMakav Cultural Society, Fort Mojave Indian Tribe, provided the only comment that indicated that their concerns have been adequately addressed.

Determination: The analyses contained in DOE/EA-1450 and additional consultations with the Service and the SHPO indicate that the proposed action is not a major Federal action significantly affecting the quality of the human environment. Western has determined that preparation of an EIS is not required.

Dated:

AUG 2 9 2002

Michael S. Hacskaylo

Administrator